

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re

STANADYNE LLC, *et al.*,¹

Debtors.

Chapter 11

Case No. 23-10207 (TMH)

(Jointly Administered)

Ref. Doc. No. 245

DECLARATION OF CLIFTON H. ROESLER

IN SUPPORT OF ENTRY OF ORDER (I) SCHEDULING A HEARING ON THE APPROVAL OF THE SALE OF ALL OR SUBSTANTIALLY ALL OF THE DEBTORS' ASSETS FREE AND CLEAR OF ALL ENCUMBRANCES OTHER THAN ASSUMED LIABILITIES AND PERMITTED ENCUMBRANCES, AND THE ASSUMPTION AND ASSIGNMENT OF CERTAIN EXECUTORY CONTRACTS AND UNEXPIRED LEASES, (II) APPROVING CERTAIN BIDDING PROCEDURES AND ASSUMPTION AND ASSIGNMENT PROCEDURES, AND THE FORM AND MANNER OF NOTICE THEREOF, (III) AUTHORIZING THE DEBTORS TO ENTER INTO THE STALKING HORSE APA, AND (IV) GRANTING RELATED RELIEF

I, Clifton H. Roesler, declare as follows:

1. I am a Director and Co-Founder of the investment banking firm Angle Advisors, LLC ("Angle Advisors"), which is the investment banker to the above-captioned debtors and debtors in possession (collectively, the "Debtors"). I submit this declaration (this "Declaration") in support of the Debtors' request, as set forth in the *Debtors' Motion for Entry of: (A) an Order (i) Scheduling a Hearing on the Approval of the Sale of All or Substantially All of the Debtors' Assets Free and Clear of All Encumbrances Other Than Assumed Liabilities and Permitted Encumbrances, and the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases, (ii) Approving Certain Bidding Procedures and Assumption and Assignment*

¹ The Debtors in these Chapter 11 Cases, along with the last four digits of each Debtor's federal tax identification number are: Stanadyne LLC (0378); Pure Power Technologies, Inc. (5202); Stanadyne PPT Holdings, Inc. (2594); and Stanadyne PPT Group Holdings, Inc. (1734). The Debtors' headquarters are located at 405 White Street, Jacksonville, North Carolina 28546.

Procedures, and the Form and Manner of Notice Thereof, (iii) Authorizing the Debtors to Enter into the Stalking Horse APA, and (iv) Granting Related Relief; and (B) an Order (i) Approving Asset Purchase Agreement, (ii) Authorizing the Sale of All or Substantially All of the Debtors' Assets Free and Clear of all Encumbrances Other Than Assumed Liabilities and Permitted Encumbrances, (iii) Authorizing the Assumption and Assignment of, Certain Executory Contracts and Unexpired Leases, and (iv) Granting Related Relief [Docket No. 245] (the “Bidding Procedures Motion”), that the Court enter the Bidding Procedures Order and approve the Stalking Horse APA.²

2. Except as otherwise indicated, all statements in this Declaration are based upon my review of relevant documents, my discussions with the Debtors and their other professionals, my discussions with other members of the Angle Advisors' team working on this engagement, and my personal knowledge and experience. If I were called upon to testify, I could and would testify to each of the facts set forth below.

A. Qualifications

3. Angle Advisors is an investment banking and advisory firm with extensive experience in automotive, transportation, manufacturing, aftermarket and related vehicular end-markets. Angle Advisors provides merger & acquisition advisory services, including buyer identification, buyer solicitation, and buyer development capabilities. The professionals at Angle Advisors have successfully completed over 100 merger, acquisition and divestiture transactions with suppliers of automotive and commercial vehicle components.

² Capitalized terms used but not defined herein shall have the meaning ascribed to them in the Bidding Procedures Motion.

B. Angle Advisors' Engagement and Involvement in the Chapter 11 Cases

4. Angle Advisors was engaged by the Debtors pursuant to an engagement letter dated March 8, 2023, which was approved by the Court, on a modified basis by order entered on April 18, 2023 [Docket No. 209].

5. Upon being engaged by the Debtors, Angle Advisors began working extensively with the Debtors to prepare for and advance the Debtors' restructuring and sale process, including performing necessary due diligence, establishing a confidential data room, and preparing marketing materials such as a teaser, a process letter, and a detailed confidential information memorandum ("CIM") to be provided to prospective purchasers.

6. Angle Advisors has been in constant communication with the Debtors and has been actively engaged with the Committee and the Prepetition Secured Lenders in an effort to identify a value-maximizing transaction for the estates. In connection therewith, I believe that pursuing a sale of the Debtors' assets in accordance with the proposed Bidding Procedures provides the Debtors with the best opportunity to maximize value for the benefit of all stakeholders. Moreover, I believe that the Debtors' entry into the Stalking Horse APA will provide a framework for the proposed Sale, inform the market with respect to the value proposition for the subject Assets, and ensure that the Debtors can obtain the highest and best offer for such Assets.

C. The Bidding Procedures and Sale Timeline

7. I have reviewed and am familiar with the Bidding Procedures Motion and the related Bidding Procedures.

8. On May 8, 2023, the Debtors entered into the Stalking Horse APA with S-PPT Acquisition Company, LLC (the "Stalking Horse"), an entity formed at the direction of the

Prepetition Agent and Prepetition Lenders for the purpose of entering into the Stalking Horse APA and consummating the transactions contemplated thereby.

9. I reviewed the Stalking Horse APA and am familiar with its terms. The Stalking Horse APA does not require payment of a break-up fee or expense reimbursement to the Stalking Horse. Accordingly, I believe that the Stalking Horse APA sets a reasonable floor for bidding designed to maximize value in the sale process.

10. I believe that the Bidding Procedures will establish a fair, open, and competitive bidding and auction process. It is my opinion that the Bidding Procedures and the Debtors' proposed sale timeline, including the Bid Deadline and proposed Auction and Sale Hearing dates (subject to Court availability), is achievable under the circumstances of the Chapter 11 Cases.

11. Given the interest expressed to date by interested parties and the continuing marketing efforts, it is my view, based on my experience, that the Bidding Procedures are reasonable and appropriate under the circumstances.

CONCLUSION

12. In conclusion, I believe that approval of the Bidding Procedures Order will enable the Debtors to obtain the highest or otherwise best offer for their assets under the circumstances of the Chapter 11 Cases and will thereby maximize value for the benefit of all stakeholders.

Based upon the foregoing, pursuant to 28 U.S.C. § 1746, I declare under penalties of perjury that the foregoing is true and correct.

Executed on this 15th day of May 2023.

/s/ Clifton H. Roesler

Clifton H. Roesler

Director

Angle Advisors LLC